

FISCAL NOTE

Bill #: HB0612

Title: Revise membership in firefighters unified retirement system

Primary

Sponsor: Brennan Ryan

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
General Fund	\$743,834	\$783,257
Revenue:	0	0
Net Impact on General Fund Balance:	(\$743,834)	(\$783,257)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. Only the larger eligible organizations will change to Firefighters Unified Retirement System (FURS).
2. Payroll for the firefighters who will switch to FURS is \$2,166,193 in FY 1999.
3. Based on the last six years, the payroll of these firefighters will increase 5.3% annually.
4. Per 19-13-604, MCA, the state contributions of general fund for FURS will increase by \$743,834 in FY 2000 and \$783,257 in FY 2001 as a result of this bill.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
State Auditors Office (Statutory Approp)		
<u>Expenditures:</u>		
Benefits	\$743,834	\$783,257
<u>Funding:</u>		
General Fund (01)	\$743,834	\$783,257
<u>Revenues:</u>	0	0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$743,834)	(\$783,257)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The employer contribution rate will increase from 6.9% to 14.36% for cities, counties, and rural fire districts with firefighters who switch to the Fire Fighters' Unified Retirement System (FURS).

LONG-RANGE IMPACTS:

Any increase in the firefighters unified retirement system as a result of this bill will cause a corresponding decrease in the general fund in future years.